

EXHIBIT 3



Kirstin B. Ives

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December 4, 2023

VIA UPS (to Latzo and Legal Department) and EMAIL (to Latzo)

Redbox Automated Retail, LLC
One Tower Lane, Suite 900
Oakbrook Terrace, IL 60181
Attention: George Latzo
Copy To: Legal Department

Re: Kiosk Operating Agreement between CVS Pharmacy, Inc. and Redbox

Dear Mr. Latzo:

I write on behalf of CVS Pharmacy, Inc. ("CVS") in connection with the Kiosk Operating Agreement between CVS and Redbox (the "Agreement"). Please direct all future correspondence in this matter to my attention.

CVS has previously informed you that it does not intend to renew the Agreement when it expires on December 31, 2023. This letter addresses three issues: (1) the immediate removal of Redbox kiosks at five CVS locations that are closing; (2) the removal of the remaining Redbox kiosks upon termination of the Agreement; and (3) the unpaid monies that Redbox owes to CVS.

First, CVS is currently in the process of closing and vacating five properties at which Redbox kiosks are installed. As these leases are terminating and the premises being returned to the landlords, CVS is required to vacate these properties in the next 30 days and thus no longer has any rights in these sites to grant to Redbox. As CVS has previously informed Redbox, the sites at issue are:

- CVS #5843, 2700 W. Main St., League City, TX, 77573
- CVS #5324, 3384 Government St., Baton Rouge, LA, 70806
- CVS #0190, 3212 Curry Ford Rd, Orlando, FL 32806
- CVS #8386, 4100 De Zavala Rd, San Antonio, TX, 78249
- CVS #1759, 10 E Dunlap Ave, Phoenix, AZ 85020

We note that the kiosk already has been removed from the #5324, Baton Rouge, Louisiana location, and that kiosk is being stored at a nearby closed CVS store: 11705 Coursey Boulevard, Baton Rouge, LA 70816. Please arrange for pick up and removal of this kiosk from this location immediately. CVS will hold Redbox responsible for any costs of this removal and storage.

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Please indicate when Redbox will retrieve these five kiosks, in no event later than December 31, 2023. If Redbox does not retrieve these five kiosks by that date, CVS intends to dispose of them and charge Redbox for any costs associated therewith. Pursuant to Section 6.2(d), “Redbox is responsible for the cost of removing . . . the kiosk.”

Second, I write regarding the removal of the remaining Redbox kiosks. Redbox is obligated to remove the kiosks from CVS property. Under Section 6.7 of the Agreement, Redbox agreed to “remove the Kiosks” “[u]pon the expiration or termination of this contract.” Redbox agreed to “consult with [CVS] to mutually agree upon a reasonable schedule to accomplish these tasks, ***which should not exceed thirty (30) days from expiration or termination***” (emphasis added).

Redbox has made no attempt to consult with CVS on a mutually agreeable schedule that leads to removal of the kiosks within 30 days of termination. In fact, Redbox has stated that it is not currently removing any kiosks. If Redbox does not remove the kiosks by January 30, 2024 (30 days after the 12/31 expiration), CVS will dispose of the kiosks and charge Redbox for any costs associated with such disposal. CVS will also seek any damages that may result of Redbox’s failure to remove the kiosks.

Third, I write regarding unpaid Commissions. The Agreement calls for Redbox to pay CVS “a quarterly Commission for DVD rental based on a percentage of Annual Net rental Revenues . . . received by Redbox collected from Kiosks at Client Sites.” Agreement § 7.1. Redbox previously has acknowledged that it owes a total of \$298,319.19 for the quarters ended 12/31/22, 3/31/23, and 6/30/23. Currently, Redbox owes CVS \$392,473 in outstanding Commissions through October 2023, as follows:

Q4 2022	\$112,308
Q1 2023	\$91,308
Q2 2023	\$94,693
Q3 2023	\$75,385
OCT 2023	\$18,779
\$392,473	

Under Section 7.4 of the Agreement, Redbox agreed to “pay [CVS its] Commission within thirty (30) days of the end of each calendar quarter.” Thus, the amounts owed for the last four quarters are now past due. CVS demands immediate payment of these amounts.

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Thank you for your time and immediate attention to this matter, and please do not hesitate to contact me with any questions at (312) 566-4803 or kbi@falkenbergives.com.

Very truly yours,

FALKENBERG IVES LLP

/s/ Kirstin B. Ives

By: Kirstin B. Ives